



Remarks Prepared For Delivery

The Hon. Jovita Carranza
Administrator (A)
U.S. Small Business Administration

Delivered At The

SMALL BUSINESS WEEK OF ILLINOIS AWARDS CEREMONY

Chicago, IL

June 19, 2008
5:30 PM

Thank you, Judith [Roussel], for that nice introduction. I'm very excited to be back here again this year.

This is a terrific event, and Judith and the Illinois District and all of our partners, have done a great job bringing it together...thank you for your hard work.

To the small business award winners: As you've probably heard many times already, congratulations. Yours is no small accomplishment. Running a small business – and running it successfully – is a true feat.

A special congratulations to your Small Business Person of the Year and Second Runner-up for National Small Business Person of the Year, George Burciaga.

To the “Champion” award winners – those who have demonstrated a commitment to small businesses – we applaud you as well.

We are delighted, as well, to recognize Cheryle Jackson, CEO of the Chicago Urban League, for leading that venerable organization in the direction of economic empowerment and entrepreneurship.

Events like this are a good opportunity to reflect on the importance of small businesses.

As some of America's best entrepreneurs, you understand the value of entrepreneurship.

You play an absolutely vital role in our economy. Small firms create about two-thirds of new jobs every year...

- employ half of our private sector workforce nationwide...
- account for half of non-farm GDP...
- account for more than one-quarter of exports...
- and are major drivers of innovation.

But the importance of small businesses goes beyond these statistics. Think about the important role that small businesses play in shaping their communities. I strongly believe that entrepreneurship can bring real, lasting, and positive change to economically distressed communities across the country.

And there's something more. Small business ownership provides millions of Americans with the opportunity to succeed. It's a way for Americans in every community to stand on their own hard work and achieve their small business vision. As the President says...

"Small business ownership is a great equalizer in America. The only connections you need are happy customers, [and] a good business plan. The only credentials

you need are good products. The only values you need [are] to be willing to take risks and to work hard."

Over the last seven years, the President has been one of the best friends and strongest advocates for small business owners across the country.

His leadership on the major issues that impact small businesses, from taxes to regulation to free trade, has been exactly what entrepreneurs should expect from Washington.

We've made some dramatic improvements at the agency in the past two years that have made us more effective at helping America's small business owners. And it's a critical time for us to do that.

We understand the challenges that small firms face. I know that for many of you, this is a challenging time.

I understand the difficult position that you, and many other small business owners like you, are put into by the high price of energy. It seems like the price of oil hits a new record every week. Other costs, including food, are also going up. And for many small businesses, this is compounded by a more challenging sales environment.

Confidence in the economy is particularly important for small businesses. When deciding whether to invest in expanding their business, which may require taking on new debt, business owners want to be confident that the economy will be strong and customers will continue spending.

We know that confidence among small businesses has declined in recent months as general concerns about the state of the economy have increased.

After 52 consecutive months of job growth and strong economic results, our economy and financial markets are going through a rough spot.

These conditions make the SBA's products and services even more important. It's a difficult lending environment, and demand for small business loans has decreased. At the same time, we are seeing a tightening of credit standards by many lenders.

SBA has not changed our credit standards. We are not retrenching.

SBA is a critical source of capital for small businesses in Illinois. Last fiscal year in Illinois, we approved almost 5,000 loans for more than \$720 million.

In the face of current conditions, we are reaching out to all of our lenders to ensure we are a full partner with them as they consider their own

strategy with respect to small business lending. We are letting them know that we have improved our processes...we are offering new products...and we are fully funded and here to help keep a flow of capital headed to America's small businesses.

Over the past five months, we have held roundtable discussions with our lenders in more than 10 cities across the country. When combined with our other outreach efforts, we have talked to close to 1,000 lenders during this period.

And we're continuing to find other innovative ways to help small businesses succeed. One great example is the SBA Emerging 200 initiative. This initiative will provide high potential inner-city companies with formal training as well as coaching, mentoring, and assistance getting access to capital and competing for federal contracts.

Chicago was one of 11 cities selected for the E-200 program. The program will start on June 21, and it will reach inner-city businesses like never before.

Finally, even with slow economic growth, there are great opportunities out there. One important area has been exporting. Export sales are booming. Last year, exports accounted for 40 percent of our economic growth.

International trade isn't just about big business...it's increasingly about small business. Small businesses account for 29 percent of exports, and for countries with which we have trade agreements, it's even higher.

I want to encourage you to look at foreign markets, if you are not already. And, if you are interested in exporting, there are many places to get advice and support. SBA and the Department of Commerce have export assistance centers that can offer you help in any number of areas, as do many of our Small Business Development center partners, as well as SCORE.

SBA has a vital mission, and I'm excited every day to help small business owners be able to reach their small business goals.

Entrepreneurship is very much a part of our cultural identity...and of our national DNA. America has always been and will always be a country of entrepreneurs.

Entrepreneurs take risks that others don't, and that makes them an essential reason that our economy is so flexible and can adapt to opportunities.

Small business ownership is a path to opportunity...to new jobs...and in some cases, to a new way of life...It's our privilege to be able to recognize

and congratulate some of the entrepreneurs who have walked that path successfully.

Let me say congratulations again to all 12 award winners. It's a pleasure to be here with you. Keep up the great work. I wish you success in your future business endeavors.